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| 09/488,079 | 01/20/2000 | David R. Montague | 2779.2.2 | 3921 |
| 28049 7590 12/31/2009 PATE PIERCE & BAIRD 175 SOUTH MAIN STREET, SUITE 1250 SALT LAKE CITY, UT 84111 | | | | |
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4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
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8 *Ex parte* DAVID R. MONTAGUE
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10 Appeal 2009-005663
11 Application 09/488,079
12 Technology Center 3600
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16 Decided: December 31, 2009
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19 *Before* MURRIEL E. CRAWFORD, HUBERT C. LORIN, and BIBHU R.
20 MOHANTY, *Administrative Patent Judges*.

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22 CRAWFORD, *Administrative Patent Judge*.
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26 DECISION ON APPEAL
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STATEMENT OF CASE

David R. Montague (Appellant) seeks our review under 35 U.S.C. § 134 (2002) of the final rejection of claims 1-28. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

Appellant invented a computer-readable medium product label providing a link back from a purchaser to a vendor (Specification 2).

Claim 1 under appeal reads as follows:

1. An apparatus comprising:
a label configured to be affixed to a product at a source thereof;
the product having a surface associated therewith;
the label configured to directly communicate first information
corresponding to at least one of the product and a source of the
product; and
a computer readable medium, storing instructions executable by a
computer of a purchase of the product, coupled to the product
by the label.

The prior art relied upon by the Examiner in rejecting the claims on appeal is:

| | | |
|---------|-------------------|--------------|
| Dlugos | US 5,153,842 | Oct. 6, 1992 |
| Redford | US 20010003041 A1 | Jun. 7, 2001 |

The Examiner rejected claims 1-28 under 35 U.S.C. § 103(a) as being unpatentable over Dlugos in view of Redford.

Appellant contends that the Examiner's proposed combination of Dlugos and Redford would damage the principle of operation of Dlugos and thus Dlugos and Redford are incompatible references.

ISSUE

Has Appellant shown that the Examiner erred in rejecting the claims because Dlugos and Redford are incompatible references?

FINDINGS OF FACT

Dlugos discloses a label that is attached to a parcel and includes a microprocessor connected to a memory and an input device and an output device (col. 2, ll. 32-35). Dlugos discloses that the object of the described invention is to provide a more convenient and efficient form to transport information related to and accompanying parcels (col. 2, ll. 22-24). The microprocessor may receive data communication wirelessly by means of infrared, visible light, radio frequency transmissions or variations in a magnetic field (col. 4, ll. 24-28). The microprocessor may also receive data through direct electrical contact which is achieved by placing the label in a slot of a terminal (col. 11, ll. 34-68).

The Examiner found that Dlugos does not explicitly disclose that the instructions on the Dlugos label can be executed by a computer. The Examiner relies on Redford for teaching attaching a computer readable medium to an item.

Redford discloses an optical disk that is disposed in a holder that is attached to a periodical. The optical disk contains computer executable instructions [0105]. The electronic data on the disk can be read wirelessly or by manual insertion of the disk into a host device [0011].

PRINCIPLES OF LAW

An invention is not patentable under 35 U.S.C. § 103 if it is obvious. *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 427 (2007). The facts underlying an obviousness inquiry include: Under § 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). In addressing the findings of fact, “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *KSR* at 416. As explained in *KSR*:

If a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill. *Sakraid* and *Anderson's-Black Rock* are illustrative - a court must ask whether the improvement is more than the predictable use of prior art elements according to their established functions.

KSR at 417.

A prior art reference is analyzed from the vantage point of all that it teaches one of ordinary skill in the art. *In re Lemelson*, 397 F.2d 1006, 1009

(CCPA 1968) (“The use of patents as references is not limited to what the patentees describe as their own inventions or to the problems with which they are concerned. They are part of the literature of the art, relevant for all they contain.”). Furthermore, “[a] person of ordinary skill is also a person of ordinary creativity, not an automaton.” *KSR* at 421. The obviousness analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ. *Id.* at 418.

On appeal, Applicants bear the burden of showing that the Examiner has not established a legally sufficient basis for combining the teachings of the prior art. Applicants may sustain its burden by showing that where the Examiner relies on a combination of disclosures, the Examiner failed to provide sufficient evidence to show that one having ordinary skill in the art would have done what Applicants did. *United States v. Adams*, 383 U.S. 39, 52 (1966).

ANALYSIS

We are not persuaded of error by the Examiner by Appellant’s argument that Dlugos and Redford are incompatible references. This conclusion by the Appellant is based on Appellant’s contention that the Examiner’s proposed combination of Dlugos and Redford would damage the principle of operation of Dlugos. According to the Appellant, modifying the automatic, wireless interaction of Dlugos to incorporate the manual disk-insertion of Redford would change the principle operation of Dlugos and

1 such a modification would be contrary to the objective of Dlugos of
2 providing more convenient and efficient form in which to transport
3 information and a more convenient. We do not agree because Dlugos
4 discloses that data on the label can be transferred using wireless or wired
5 transmission means. As such, the modification of Dlugos with the teachings
6 in Redford would only be modifying the label such that the data thereon
7 could be read by a computer. Such modification would not damage the
8 principle operation of Dlugos. In addition, as we found above, Redford not
9 only disclose wired transmission of data but also wireless transmission of
10 data.

11 In view of the foregoing, we will sustain the Examiner's rejection of
12 claim 1. We will also sustain the Examiner's rejection of claims 2 to 28
13 because the Appellant has not argued the separated patentability of these
14 claims.

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16 CONCLUSION OF LAW

17 On the record before us, Appellant has not shown error on the part of
18 the Examiner in rejecting claims 1-28 under 35 U.S.C. § 103.

DECISION

The decision of the Examiner is sustained.

AFFIRMED

MP

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